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MASS LAYOFFS IN MAY 2000

In May 2000, there were 984 mass layoff actions by employers as measured by new filings for unemployment insurance benefits during the month, according to data from the U.S. Department of Labor's Bureau of Labor Statistics. Each action involved at least 50 persons from a single establishment, and the number of workers involved totaled 92,193. Both the number of layoff events and initial claimants for unemployment insurance were the lowest for May since 1996. The total of layoff events from January through May 2000, at 5,873, and the total number of initial claimants, at 627,520, were lower than in January-May 1999 (6,670 and 648,308, respectively). (See table 1.)

The monthly data series in this release cover mass layoffs of 50 or more workers beginning in a given month, regardless of the duration of the layoffs. Information on the length of the layoff is obtained later and issued in a quarterly release that reports on mass layoffs lasting more than 30 days (referred to as "extended mass layoffs") and provides more information on the industry classification and location of the establishment and on the demographics of the laid-off workers. Because monthly figures include short-term layoffs of 30 days or less, the sum of the figures for the 3 months in a quarter will be higher than the quarterly figure for mass layoffs of more than 30 days. (See table 1.) See the Technical Note for more detailed definitions.

Industry Distribution

In May 2000, services industries accounted for 29 percent of all mass layoff events and 27 percent of all initial claims filed, mainly in business services (especially help supply services). Layoffs in this industry however, are more likely than those in most other industries to last less than 30 days. (See table 2.)

Manufacturing accounted for 26 percent of all layoff events and 27 percent of initial claimants during the month. Manufacturing industries that had the highest numbers of initial claimants were food and kindred products (5,009), primarily in frozen fruits, vegetables and specialties; transportation equipment (3,148), mostly in motor homes; and apparel and other textile products (2,929), largely in women's and misses' outerwear. Retail trade accounted for 12 percent of all layoff events and 14 percent of initial claimants during the month, mostly in eating and drinking places. Agriculture accounted for 8 percent of all mass layoff events and 6 percent of initial claimants during the month, largely in agricultural services such as farm labor contractors.

Compared with May 1999, the largest over-the-year decreases in initial claims occurred in motion pictures (-7,349), industrial machinery and equipment (-4,154), and general merchandise stores (-2,380).

The largest increases in initial claims occurred in lumber and wood products (+1,589) and heavy construction (+1,267).

Geographic Distribution

In May, the number of initial claims due to mass layoffs was higher in the West (32,290) than in any other region. (See table 3.) Layoffs in business services, agricultural services, and food and kindred products accounted for 33 percent of the claims in the West. The fewest number of mass-layoff initial claims continued to be reported in the Northeast region (13,426).

Over-the-year decreases in mass layoff-related initial claims were reported in the West (-8,575) and Midwest regions (-6,409). The South and Northeast showed modest over-the-year increases (+1,176 and +3,263, respectively). Among the geographic divisions, lower levels of initial claims over the year were reported mainly in the Pacific and East North Central, and higher levels were reported in the Middle Atlantic and East South Central divisions.

Among the 50 states and the District of Columbia reporting data for May, California had the largest number of initial claims filed in mass layoff events (26,068), primarily in business services and agricultural services, followed by Texas (6,866) and Pennsylvania (6,637). California accounted for 36 percent of all layoff events and 28 percent of all initial claims for unemployment insurance. (See table 4.)

From May 1999 to May 2000, California reported the largest over-the-year decrease in initial claims (-6,952), mostly in motion pictures. Among the 21 states that reported over-the-year increases in initial claims, Kentucky had the largest (+2,253), mostly in electronic and other electric equipment.

Technical Note

The Mass Layoff Statistics (MLS) program is a federal-state program that uses a standardized, automated approach to identifying, describing, and tracking the effects of major job cutbacks, using data from each state's unemployment insurance database. Each month, states report on establishments which have at least 50 initial claims filed against them during a consecutive 5-week period. These establishments then are contacted by the state agency to determine whether these separations lasted 31 days or longer, and, if so, other information concerning the layoff is collected. States report on layoffs lasting more than 1 month on a quarterly basis.

A given month contains an aggregation of the weekly unemployment insurance claims filings for the Sunday through Saturday weeks in that month. All weeks are included for the particular month, except if the first day of the month falls on Saturday. In this case, the week is included in the prior month's tabulations. This means that some months will contain 4 weeks and others 5 weeks, and the number of weeks in a given month may be different from year to year. Therefore,

analysis of over-the-month and over-the-year change should take this calendar effect into consideration.

The MLS program resumed operations in April 1995 after it had been terminated in November 1992 due to lack of funding. Prior to April 1995, monthly layoff statistics were not available.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

Definitions

Initial claimant. A person who files any notice of unemployment to initiate a request either for a determination of entitlement to and eligibility for compensation, or for a subsequent period of unemployment within a benefit year or period of eligibility.

Mass layoff event. Fifty or more initial claims for unemployment insurance benefits filed against an establishment during a 5-week period, regardless of duration.

Table 1. Mass layoff events and initial claimants for unemployment insurance, April 1998 to May 2000

Date	Total mass layoffs		Extended mass layoffs lasting more than 30 days		Event realization rate ¹
	Events	Initial claimants	Events	Initial claimants	
1998					
April	1,253	132,476			
May	1,180	107,952			
June	1,208	183,590			
Second Quarter	3,641	424,018	1,563	402,276	42.9
July	2,220	286,055			
August	617	53,665			
September	637	79,629			
Third Quarter	3,474	419,349	1,234	256,803	35.5
October	1,553	160,830			
November	^r 1,367	^r 144,274			
December	1,776	207,661			
Fourth Quarter	^r 4,696	^r 512,765	1,734	325,990	36.9
1999					
January	2,421	226,995			
February	1,067	89,800			
March	880	91,890			
First Quarter	4,368	408,685	1,509	252,122	34.5
April	1,270	136,885			
May	1,032	102,738			
June	1,140	130,951			
Second Quarter	3,442	370,574	1,444	242,351	42.0
July	1,741	221,334			
August	698	75,691			
September	717	75,288			
Third Quarter	3,156	372,313	1,097	189,732	34.8
October	1,098	118,938			
November	1,336	139,508			
December	1,509	162,381			
Fourth Quarter	3,943	420,827	1,625	286,538	41.2
2000					
January	1,934	223,322			
February	1,045	103,898			
March	986	106,748			
First Quarter	3,965	433,968	^p 1,268	^p 175,233	^p 32.0
April ^p	924	101,359			
May ^p	984	92,193			

¹ The event realization rate is the percentage of total mass layoff events lasting more than 30 days.

^p = preliminary.
^r = revised.

Table 2. Industry distribution: Mass layoff events and initial claimants for unemployment insurance

Industry	Mass layoff events				Initial claimants for unemployment insurance			
	May 1999	March 2000	April 2000 ^p	May 2000 ^p	May 1999	March 2000	April 2000 ^p	May 2000 ^p
Total ¹	1,032	986	924	984	102,738	106,748	101,359	92,193
Total, private	977	958	894	928	98,030	104,069	98,620	86,882
Agriculture	82	131	58	83	4,954	11,530	5,296	5,356
Nonagriculture	885	812	822	825	92,236	90,412	91,818	78,439
Manufacturing	298	327	314	253	32,406	37,624	32,656	25,160
Durable goods	145	163	148	124	18,374	19,238	15,854	14,006
Lumber and wood products	(²)	33	18	18	(²)	3,252	1,473	1,668
Furniture and fixtures	12	13	8	10	1,324	1,060	720	966
Stone, clay, and glass products	(²)	10	11	4	(²)	716	804	546
Primary metal industries	14	5	18	9	1,052	708	2,175	656
Fabricated metal products	16	21	17	11	1,580	2,453	1,743	1,338
.....	25	26	20	16	5,439	3,089	1,699	1,285
Electronic and other electrical equipment	27	17	18	16	2,874	1,478	2,393	2,767
Transportation equipment	26	24	27	25	3,786	5,293	4,092	3,148
Instruments and related products	10	7	5	6	716	426	274	541
Miscellaneous manufacturing industries	7	7	6	9	776	763	481	1,091
Nondurable goods	153	164	166	129	14,032	18,386	16,802	11,154
Food and kindred products	62	73	75	58	6,513	8,713	8,209	5,009
Tobacco products	—	5	(²)	—	—	1,168	(²)	—
Textile mill products	13	11	19	6	1,209	1,498	2,214	536
.....	36	33	33	35	2,967	2,561	2,855	2,929
Paper and allied products	14	12	12	9	1,109	823	821	1,001
Printing and publishing	8	9	8	9	619	808	623	754
Chemicals and allied products	5	6	3	(²)	493	1,461	157	(²)
Petroleum and coal products	—	(²)	(²)	—	—	(²)	(²)	—
Rubber and miscellaneous plastics products	10	11	9	8	789	1,076	1,131	628
Leather and leather products	5	(²)	4	(²)	333	(²)	459	(²)
Nonmanufacturing	587	485	508	572	59,830	52,788	59,162	53,279
Mining	9	5	(²)	5	774	338	(²)	409
Construction	85	86	71	77	6,288	6,003	5,878	6,394
.....	33	44	76	33	3,841	5,414	9,103	4,185
Wholesale and retail trade	166	138	114	146	14,904	14,755	11,652	14,841
Wholesale trade	22	29	25	28	1,404	3,346	2,668	2,311
Retail trade	144	109	89	118	13,500	11,409	8,984	12,530
.....	17	21	(²)	30	1,179	2,032	(²)	2,211
Services	277	191	219	281	32,844	24,246	30,555	25,239
Not identified	10	15	14	20	840	2,127	1,506	3,087
Government	55	28	30	56	4,708	2,679	2,739	5,311
Federal	10	4	9	15	1,452	606	676	1,977
State	12	12	7	8	967	1,112	894	930
Local	33	12	14	33	2,289	961	1,169	2,404

¹ Data were reported by all states and the District of Columbia.

^p = preliminary.

² Data do not meet BLS or state agency disclosure standards.

NOTE: Dash represents zero.

Table 3. Mass layoff events and initial claimants for unemployment insurance by census region and division

Census region and division	Mass layoff events				Initial claimants for unemployment insurance			
	May 1999	March 2000	April 2000 ^p	May 2000 ^p	May 1999	March 2000	April 2000 ^p	May 2000 ^p
United States ¹	1,032	986	924	984	102,738	106,748	101,359	92,193
Northeast	124	99	186	140	10,163	10,686	18,570	13,426
New England	25	20	43	25	2,038	2,834	5,398	2,297
Middle Atlantic	99	79	143	115	8,125	7,852	13,172	11,129
South	271	179	187	234	24,517	17,976	19,695	25,693
South Atlantic	132	91	89	85	11,119	9,419	9,492	9,702
East South Central	41	27	37	49	4,046	2,459	3,371	6,205
West South Central	98	61	61	100	9,352	6,098	6,832	9,786
Midwest	206	199	201	187	27,193	26,477	22,434	20,784
East North Central	154	144	161	133	19,581	17,973	17,412	14,752
West North Central	52	55	40	54	7,612	8,504	5,022	6,032
West	431	509	350	423	40,865	51,609	40,660	32,290
Mountain	42	45	47	31	4,336	4,052	4,739	3,211
Pacific	389	464	303	392	36,529	47,557	35,921	29,079

¹ See footnote 1, table 2.

^p = preliminary.

NOTE: The States (including the District of Columbia) that comprise the census divisions are: New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont; Middle Atlantic: New Jersey, New York, and Pennsylvania; South Atlantic: Delaware, District of Columbia, Florida, Georgia, Maryland, North

Carolina, South Carolina, Virginia, and West Virginia; East South Central: Alabama, Kentucky, Mississippi, and Tennessee; West South Central: Arkansas, Louisiana, Oklahoma, and Texas; East North Central: Illinois, Indiana, Michigan, Ohio, and Wisconsin; West North Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota; Mountain: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming; and Pacific: Alaska, California, Hawaii, Oregon, and Washington.

Table 4. State distribution: Mass layoff events and initial claimants for unemployment insurance

State	Mass layoff events				Initial claimants for unemployment insurance			
	May 1999	March 2000	April 2000 ^P	May 2000 ^P	May 1999	March 2000	April 2000 ^P	May 2000 ^P
Total ¹	1,032	986	924	984	102,738	106,748	101,359	92,193
Alabama	16	3	7	20	1,904	394	561	2,065
Alaska	4	(²)	(²)	—	296	(²)	(²)	—
Arizona	15	18	14	6	1,549	1,901	1,612	917
Arkansas	7	4	4	6	630	291	622	613
California	348	418	269	358	33,020	43,357	33,018	26,068
Colorado	8	5	3	7	1,328	503	312	669
Connecticut	(²)	(²)	3	5	(²)	(²)	236	473
Delaware	—	—	(²)	(²)	—	—	(²)	(²)
District of Columbia	3	(²)	—	(²)	267	(²)	—	(²)
Florida	67	28	39	38	4,792	2,453	3,113	3,508
Georgia	14	14	6	9	1,404	1,010	622	951
Hawaii	6	4	6	(²)	443	341	382	(²)
Idaho	5	9	9	7	393	524	783	639
Illinois	44	37	41	35	7,903	5,110	4,729	4,061
Indiana	8	9	14	11	899	984	1,294	1,947
Iowa	11	6	10	8	1,189	696	946	864
Kansas	6	5	4	7	486	2,720	592	570
Kentucky	4	13	14	11	334	1,280	1,190	2,587
Louisiana	14	12	8	23	1,174	774	488	1,807
Maine	5	4	4	4	332	954	339	290
Maryland	6	3	3	3	426	199	251	291
Massachusetts	17	6	17	10	1,498	903	2,424	1,078
Michigan	40	24	18	39	4,067	3,690	1,526	4,038
Minnesota	6	13	8	5	691	1,394	1,313	490
Mississippi	5	6	5	11	334	431	256	779
Missouri	24	28	18	29	4,490	3,459	2,171	3,665
Montana	(²)	(²)	3	3	(²)	(²)	289	381
Nebraska	(²)	(²)	—	(²)	(²)	(²)	—	(²)
Nevada	6	11	12	7	480	974	1,322	523
New Hampshire	(²)	(²)	4	(²)	(²)	(²)	335	(²)
New Jersey	14	22	46	30	1,368	1,955	4,869	3,325
New Mexico	4	—	4	(²)	267	—	297	(²)
New York	5	5	10	13	467	351	689	1,167
North Carolina	8	13	12	12	965	1,889	1,046	2,467
North Dakota	(²)	(²)	—	(²)	(²)	(²)	—	(²)
Ohio	32	28	40	20	3,857	3,104	4,645	1,770
Oklahoma	7	5	(²)	4	616	801	(²)	500
Oregon	18	29	18	24	1,814	2,908	1,751	2,232
Pennsylvania	80	52	87	72	6,290	5,546	7,614	6,637
Rhode Island	—	4	9	(²)	—	341	1,417	(²)
South Carolina	22	20	16	6	2,146	1,992	2,239	631
South Dakota	3	—	—	3	320	—	—	318
Tennessee	16	5	11	7	1,474	354	1,364	774
Texas	70	40	47	67	6,932	4,232	5,465	6,866
Utah	(²)	(²)	(²)	—	(²)	(²)	(²)	—
Vermont	—	3	6	3	—	280	647	277
Virginia	12	11	12	13	1,119	1,617	1,175	1,627
Washington	13	12	8	8	956	889	566	623
West Virginia	—	(²)	—	(²)	—	(²)	—	(²)
Wisconsin	30	46	48	28	2,855	5,085	5,218	2,936
Wyoming	—	—	—	—	—	—	—	—
Puerto Rico	7	8	12	9	797	668	1,122	636

¹ See footnote 1, table 2.

^P = preliminary.

² Data do not meet BLS or state agency disclosure standards.

NOTE: Dash represents zero.